



Pete Ricketts
Governor

STATE OF NEBRASKA

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Mr. President, Mr. Speaker, and
Members of the Legislature
State Capitol
Lincoln, NE 68509

Dear Mr. President and Members of the Legislature:

I am returning LB 873 without my signature and with my objections.

The multi-faceted bill contains numerous provisions that I support. For example, the provisions that would provide clarity regarding the taxation and regulation of online hosting platforms, such as the Airbnb property rental marketplace, are valuable and needed additions to Nebraska law.

The multiple beneficial sections of the omnibus 257-page bill cannot, however, overcome my objections to the inclusion of the dramatic expansion of the use of land banks. A land bank is yet another layer of government that is vested with exceptionally broad powers. Land banks can issue debt without a vote of the people. Members of the land bank are not elected by the public nor are decisions made by the land bank subject to the public hearing process of a city council or village board. The appointed members of land banks are entitled to retain fifty percent of the real property taxes collected on real property conveyed by the land bank. Any property conveyed to a land bank and a land bank's income and operational expenses are exempt from all taxation by the state or its political subdivisions.

Land banks were created in 2013 to assist in the revival of vacant, abandoned properties. Their use was limited to operate solely within Douglas and Sarpy counties. LB 873 would allow any city or village in Nebraska to create and utilize a land bank. There has not been a need demonstrated to expand the vast powers of a land bank to other areas of our state.

For these reasons, I have vetoed LB 873.

Sincerely,


Pete Ricketts
Governor